

**STATE WATER RESOURCES CONTROL BOARD  
BOARD WORKSHOP SESSION – DIVISION OF FINANCIAL ASSISTANCE  
MAY 5, 2020**

**ITEM 7**

**SUBJECT**

PUBLIC WORKSHOP ON THE DRAFT FUND EXPENDITURE PLAN FOR THE SAFE AND AFFORDABLE DRINKING WATER FUND

**DISCUSSION**

The Safe and Affordable Drinking Water Fund (Fund) was established through Senate Bill 200 (SB200) in July 2019. The Fund will provide up to \$130 million per year that will be used to develop and implement solutions for water systems that are not sustainable or have violations of drinking water standards. Types of projects include, but are not limited to, consolidation with a larger system, extension of service, provision of interim replacement water, planning assistance, reducing and supporting operations and maintenance costs, and providing administrators. Projects generally must benefit a disadvantaged community or low-income households or communities.

The State Water Board developed the Policy for Developing the Fund Expenditure Plan (Policy) for the Fund. The Policy establishes and documents the State Water Board's direction on how the Fund Expenditure Plan (the Plan) is to be developed. The Policy identifies and defines key terms and metrics; describes how proposed remedies will be identified, evaluated, prioritized, and included in the Plan; establishes a petition process for consideration of consolidation orders for disadvantaged communities, and includes a public hearing requirement.

The Plan is based on a drinking water needs assessment, being developed in consultation with the Department of Finance and other stakeholders. The purposes of the Fund Expenditure Plan are to: (1) identify public water systems (PWS), community water systems (CWS), state small water systems and regions where domestic wells consistently fail or are at risk of failing to provide adequate safe drinking water, the causes of failure, and appropriate remedies; (2) determine the amounts and sources of funding needed to provide safe drinking water or eliminate the risk of failure to provide safe drinking water; and (3) identify gaps in supplying safe drinking water, and determine the amounts and sources of funding to eliminate those gaps.

The Draft Plan will be released in May 2020 and was discussed at the Advisory Group meetings on February 19, 2020 and April 30, 2020. At this State Water Board Workshop, staff will discuss the Draft Plan and receive preliminary comments. Public comments will be due in June 2020.

**POLICY ISSUE**

Discuss the draft Fund Expenditure Plan.

**FISCAL IMPACT**

The Plan is an annual document required by statute which will document past and planned expenditures and prioritize projects for funding.

**REGIONAL BOARD IMPACT**

Eligible projects statewide may be funded by the Fund and will require collaboration and engagement between DFA and Division of Drinking Water Districts and, in some cases, with the Regional Water Quality Control Boards.

**STAFF RECOMMENDATION**

None.